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The heat is on as busy market continues to drive construction

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The commercial real estate market has been hot all year, which translates into high activity for the construction industry, especially in retail and office build-outs.

Not only are there more Manhattan-based projects, but business districts in the boroughs and especially nearby Westchester county are also very active.

Within the first six months of the year, our firm has been responsible for a wide range of commercial



projects in the greater New York Metro area. From build-outs for some of the City's top landlords to luxury build-outs for tenants, the office market is thriving. In March we completed both the ground-up

construction and interior build-out of a 2,400-square-foot, single-story building housing the sales office and showroom of the Albanese Organization's "green" condominium in Battery Park City. Adding to this

diverse project mix are banks and high-tech trading floors.

Although most of our work is centered in midtown and downtown Manhattan, we are delighted to be active participants in the reclamation of commercial centers in suburban areas. White Plains is a wonderful example of an economic turnaround producing new build outs. This year alone, ACC has worked on three major projects there, including Tiffany & Co. in the posh Westchester Mall and E-Trade at the Westchester Square. Phase I of the Tiffany project was completed two weeks ahead of schedule and Phase II is currently

underway. What makes the Tiffany project particularly challenging is that it entails the complete renovation of the store while fully operational.

White Plains is but one example of the revitalization of suburban cities. There are several new construction projects in Yonkers and New Rochelle, as well. Whether the activity is truly a by-product of New York City's economic health, or the combination of timing and good civic management, new construction is changing the local dynamics in these areas. Moreover, commercial activity is spilling into residential construction projects.

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Without question, banks account for a major share of retail construction in the greater New York Metro area. This year, ACC completed renovations for Commerce Bank and Citibank. These projects encompassed both corporate brand and luxury build-outs.

Last month, we completed a 6,800-square-foot Commerce Bank on the ground floor of Paramount Plaza at 631 Broadway near Times Square. The fast-track project, which was completed within 16 weeks, entailed the demolition of the existing space, formerly a Duane Reade store, and the installation of new input power, vault, HVAC, electric and plumbing. In addition, there were high-end finishes throughout the space, such as wood paneling, stone floors and granite teller stations, lighting and ATM machines.

This was our eighth Commerce Bank project, having completed other branches in Patchogue, Forest Hills, Massapequa, Middle Village, Hempstead, East Meadow and Westbury. Banks are clearly one of the hottest retail sectors – a very good sign.

There has been a marked increase this year in high-end retail projects throughout the City, with much of our work concentrated Downtown. Add these projects to our White Plains retail work, i.e., Tiffany and E-Trade, and what we are seeing is a diverse mix of interior design that encompasses everything from classic finishes to the most cutting-edge details.

The first half of 2007 for us has been focused on interior build-outs of offices and high-end retail centers.

But whatever sector we work in, the activity this year has been unprecedented. If construction is an important gauge of economic health, then New York City should remain strong for a long time to come. ■